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THOMAS F. MCFARLAND

January 11, 2006

By electronic mail

Vernon A. Williams, Secretary  
Surface Transportation Board  
Case Control Unit, Suite 713  
1925 K Street, N.W.  
Washington, DC 20423-0001

Re: Finance Docket No. 34816, *Dakota Northern Railroad, Inc. -- Acquisition and Operation Exemption -- Rail Lines of BNSF Railway Company*

Dear Mr. Williams:

Please refer to the Verified Notice of Exemption under 49 C.F.R. § 1150.31 filed by Dakota Northern Railroad, Inc. (DN) in the above proceeding on December 30, 2005. The notice is scheduled for publication in the Federal Register on or about Monday, January 30, 2006.

This is to advise that DN has been notified that the end of the line of BNSF's Glasston Subdivision is located at Milepost No. 60.20, not at Milepost No. 61.23 as stated at pages 2 and 4 of the Verified Notice of Exemption, and in the Caption Summary that was attached to the Notice as Appendix 4. As a result of that change, the portion of the Glasston Subdivision proposed to be leased and operated is 21.41 miles in length, instead of 22.44 miles as stated in the Verified Notice, and the total rail mileage proposed to be leased and operated is 69.79, instead of 70.82 as stated in the Verified Notice.

The effect of this change is that DN will lease and operate less mileage than stated in the Verified Notice. Consequently, this change should not affect DN's ability to consummate the proposed lease and operation within the 7-day period provided in 49 C.F.R. § 1150.32(b). However, the proposed lease and operation has not been consummated and will not be consummated until seven or more days after the filing of this correction of the Verified Notice.

THOMAS F. MCFARLAND

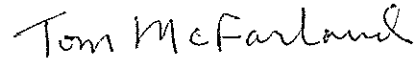
Vernon A. Williams, Secretary

January 11, 2006

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A corrected Caption Summary is attached to this letter to facilitate correct publication of the proposed lease and operation in the Federal Register.

Very truly yours,

A handwritten signature in black ink that reads "Tom McFarland". The signature is written in a cursive, slightly slanted style.

Thomas F. McFarland  
*Attorney for Applicant*

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cc: Mr. George LaPray  
Mr. John Aspenbaaken

**APPENDIX 4**

**CAPTION SUMMARY**

**SURFACE TRANSPORTATION BOARD  
NOTICE OF EXEMPTION**

(Finance Docket No. 34816)

**DAKOTA NORTHERN RAILROAD, INC.  
-- ACQUISITION AND OPERATION EXEMPTION --  
RAIL LINES OF BNSF RAILWAY COMPANY**

Dakota Northern Railroad, Inc. (DN), a noncarrier, has filed a notice of exemption from 49 U.S.C. § 10901 to lease from BNSF Railway Company and operate the following railroad property:

- (1) the entire BNSF Walhalla Subdivision between Milepost 0.0 near Grafton, ND and the end of the line at Milepost 48.38 near Walhalla, ND, a distance of approximately 48.38 miles; and
- (2) a portion of BNSF's Glasston Subdivision between the clearance point of the turnout located at Milepost 38.79 near Grafton, ND and the end of the line at Milepost 60.20 near Glasston, ND, a distance of approximately 21.41 miles.

The rail property is referred to as the (1) Walhalla Subdivision and (2) a portion of the Glasston Subdivision. It is located in Walsh and Pembina Counties, North Dakota. It consists of approximately 69.79 miles of trackage.

This notice is related to Finance Docket No. 34817, *KBN, Inc. -- Continuance in Control Exemption -- Dakota Northern Railroad, Inc.*, wherein KBN, Inc. seeks an exemption from 49 U.S.C. § 11323 for its continuance in control of DN upon DN becoming a rail carrier.

Any comments must be filed with the Board and must be served on applicant's representative, Thomas F. McFarland, Thomas F. McFarland, P.C., 208 South LaSalle Street, Suite 1890, Chicago, IL 60604-1112, (312) 236-0204.

This notice of exemption is filed under 49 C.F.R. § 1150.31. If the notice contains false or misleading information, the exemption is void *ab initio*. Petitions to revoke the exemption under 49 U.S.C. § 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the transaction.

(SEAL)

By the Board